Remarks as Prepared for Stephen L. Johnson
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Thank you, Joe (Acker, President of the Synthetics and Organic Chemical Manufacturers' Association), for that kind introduction.

It is truly a pleasure and an honor to be back at GlobalChem. If memory serves me correct, the last time I joined you as the keynote speaker, I was in my first year as EPA's Assistant Administrator for the Office of Prevention, Pesticides and Toxic Substances. I don't know about you, but that now seems like a very long time ago. Between the complex regulatory decisions I've made, and the amount of travel I do as Administrator, it feels like the past few months have taken a few years off my life – and completed my transition to a fully grey head of hair.

In fact, my last keynote address was so long ago, this conference was still called "Living with TSCA." Wisely, the organizers recognized the global nature of the chemical industry and changed the name to more accurately reflect that reality.

And while all of us here appreciate the global reach of your industry, most Americans are unaware of how you, and your companies, impact their daily lives. From the vehicles they drive to work in the morning, to the laptops and blackberries they use throughout their days, you are providing consumers with products that not only make their lives easier, but also healthier and more comfortable.

<u>As your industry is helping improve the quality of our lives, I'm pleased you're also helping ensure the quality of our environment.</u>

As Joe mentioned, I've been at EPA for nearly three decades. Over my years as a public servant, I've witnessed what can be achieved when passionate people unite to face environmental challenges. Today we see the fruits of collaboration all around us. Our air is cleaner, our water is purer, and our land is better protected than just a generation ago.

Through EPA's collaborations with the chemical industry, we are delivering impressive results with a number of our key chemical-related stewardship programs. They include the High Production Volume Challenge program, the PFOA Stewardship program, Design for the Environment, Green Chemistry, and the Green Suppliers Network. I want to personally thank you for your participation and commitment to these important programs.

And since you all are familiar with those efforts, I want to turn my attention to EPA's involvement with a relatively new field of scientific inquiry – nanotechnology. While its possibilities and potential may be exciting to pocket-protector wearing scientists like myself, it is an area that demands all of us – EPA, and our federal and industry partners – to take the necessary steps to assure nanotechnology is developed and used in responsible ways. The public expects our oversight of nanoscale materials be based on a firm scientific foundation, protective of their health and the environment.

As I said before, <u>your industry is helping improve the quality of Americans' lives. I believe our collaboration in the field of nanotechnology can also help ensure the quality of our environment.</u>

In January, EPA launched this new cooperative effort with the creation of the Nanoscale Material Stewardship Program. This program is allowing us to quickly assemble the information EPA needs to properly assess – and where appropriate – make decisions or take risk management actions on nanoscale materials entering the marketplace. Later today, you'll have the opportunity to hear more about this new program, as well as our international efforts on nanotechnology, from Jim Gulliford, EPA's Assistant Administrator for Prevention, Pesticides, and Toxic Substances. While the potential benefits of nanotechnology are limitless, we need to better understand the potential risks,

and so I encourage the early and active industry participation in the Nanoscale Materials Stewardship Program to strengthen our scientific understanding in this exciting new arena.

As the title of this conference reflects, the fruits of collaboration between EPA and your industry do not stop at America's borders. So while the chemical industry is helping improve the quality of our lives, you're also helping ensure the quality of our environment, both at home and abroad.

The global aspect of trade in chemicals is an increasingly important contributor – and compliment – to our domestic chemical management efforts. For example, EPA challenged the U.S. chemical industry to make key health and safety data available on High Production Volume Chemicals. This provided companies the opportunity to sponsor chemicals directly through the U.S. HPV Challenge Program or indirectly through the international Council of Chemical Association's HPV Initiative.

Another domestic and international effort was the launching of the PFOA Stewardship program in 2006, where EPA sought reductions in emissions and product content of PFOA and related chemicals. I'm pleased the participating companies have begun delivering on their domestic and global commitments.

However, the most telling effort highlighting the international nature of the chemical industry was the passage of REACH by the European Union. As you know, REACH – which came into effect last June – calls for the registration of all chemicals manufactured and imported into the European Union market at one ton or more per year. Registration will take place over a period of 11 years and will involve an estimated 30,000 existing chemical substances.

While EPA supports the health and environmental protection goals of REACH, we believe that effective protection can be obtained through a more targeted and strategic approach to chemical assessment and management.

In that vein, this past August, the countries of North America came together to announce a strategic approach under the Security and Prosperity Partnership, or SPP. At the SPP Leaders' Summit in Quebec, President Bush, Canadian Prime Minister Stephen Harper and Mexican President Felipe Calderon committed our three countries to work together to accelerate and strengthen the management of chemicals in North America. I believe this approach can provide a more focused, productive and workable scheme than the REACH framework

You will hear more about the specifics of this effort from Jim Gulliford and Charlie Auer in the plenary session. However, I will say that for its part, the United States has made a commitment to complete initial assessments and take needed actions on the thousands of chemicals produced above 25,000 pounds-per-year in the U.S. by 2012. This commitment, which is now known as the Chemical Assessment and Management Program, or ChAMP, includes both high-production and moderate volume chemicals. ChAMP also builds on the U.S. HPV Challenge program and Canada's work on chemical categorization … and our two countries have agreed to share scientific information, technical understanding, research strategies and best practices, and to collaborate when possible on risk management efforts.

I believe this agreement to share information on thousands of high and moderate production volume chemicals will enable us to act more quickly, efficiently and cost-effectively on a greater number of chemicals. Therefore, our efforts under ChAMP will result in greater public health and environmental protection in the U.S. It will also help ensure a more consistent and better integrated approach to chemicals assessment and management throughout North America.

In order to meet our SPP and ChAMP commitments, EPA is developing risk-based prioritizations for HPV chemicals, based on hazard, exposure and risk screening characterizations, and considering other relevant information such as biomonitoring. We have posted hazard characterizations on 200 chemicals and have just posted an initial set of

the risk-based prioritizations. We look forward to your comments on this first set of risk-based prioritizations as we work to refine our approach over the course of the year.

EPA's collaborative efforts don't end with our North American partners. We have already begun to engage with other countries on the SPP commitments. For instance, along with our Canadian and Mexican counterparts, we have initiated consultations with European Commission officials dealing with REACH, and with OECD countries, including France, the UK, New Zealand, Australia, Japan, and Korea.

In addition, next month I am scheduled to travel to Australia to meet with a variety of federal and state officials, including those responsible for the oversight and regulation of pesticides and industrial chemicals. In these discussions, we will share information on the risk-based prioritization approach to chemicals assessment and management being delivered through ChAMP and SPP.

We also recognize the importance of reaching out to non-OECD countries. Last year, I traveled to India and China to strengthen our relations with these vital partners. EPA is also actively engaging other key trading partners in the Asia-Pacific region and in Central and South America. We look forward to sharing our decades of experience and expertise in chemicals assessment and management, and encouraging them to collaborate with our efforts in North America. These partnerships underline the reality that no country has limitless resources to address these issues, and so it is important that we recognize opportunities to cooperate with our international partners.

Through our commitment to international collaboration, we're helping ensure the quality of our environment, both at home and abroad.

As EPA looks beyond our immediate goal of meeting our responsibilities under the SPP agreement, we recognize other areas of need and opportunity. For example, it remains vitally important that sponsors meet all of their commitments under the HPV Challenge. It is also essential that the work agreed to under industry's Extended HPV program is

successfully completed. Finally, it is necessary that "orphan" – or unsponsored – HPV chemicals are tested through TSCA Section 4 rules … and we will soon propose a second and third HPV test rule to facilitate this goal.

Even as the Agency strives to ensure that ChAMP delivers a successful assessment and management program, we have begun to consider additional areas that would further enhance our work.

First, I have asked Jim Gulliford to engage our stakeholders on options for developing a program similar to the HPV Challenge for "inorganic" HPV chemicals. We believe this effort would provide the Agency, industry, and the public with a more complete picture of the hazards and risks of all HPV chemicals presently used in U.S. commerce.

Second, I have asked Jim to begin a dialogue with you and others on how best to reset the TSCA Inventory to better reflect the chemicals actually used by businesses in the U.S. As you all can appreciate, the TSCA Inventory now lists more than 83,000 chemicals – a significant number of which are likely no longer being produced or imported. Therefore, I believe it is time to consider options for making the Inventory a more meaningful resource. By resetting the Inventory, we can more effectively manage those chemicals actually in use, and thereby avoid debate focused on chemicals that are only theoretically in commerce.

As we begin these efforts to realize an enhanced ChAMP program, we intend to invite input from you and other stakeholders to apply the "lessons learned" from programs such as the HPV Challenge and the Voluntary Childrens' Chemical Evaluation Program. And so, the third way to improve EPA's work is by launching a series of discussions with the goal of utilizing what we've learned and apply it as begin our efforts under SPP, and as we move forward with inorganic HPV chemicals and resetting the TSCA Inventory.

We recognize the challenge of dealing with chemicals that have extensive hazard and exposure data versus those with virtually no information. And while lists can be action-forcing, they can have unintentional consequences. Regardless, it is my hope that Jim can

conclude discussions on our "lessons learned" by late spring and begin implementing approaches for both inorganic HPV chemicals and the TSCA Inventory reset by the end of the summer. I realize this is a tall order but I believe that Jim and his staff, working with you and other stakeholders, can gain the understanding needed to promptly initiate this work.

Again, thank you for allowing me to be here today to discuss these very important issues. As the first EPA Administrator with a chemicals background, I fully appreciate that <u>your industry is both helping improve the quality of our lives, AND helping ensure the quality of our environment.</u>

I hope we can continue to count on your support as we move forward with our efforts on the Nanoscale Materials Stewardship Program and our ambitious ChAMP program, including meeting our SPP commitments and initiating new efforts on inorganic chemicals and resetting the TSCA Inventory. I look forward to getting your feedback on these issues, as well as continuing our fruitful work together.

Thank you, and I hope you have a great meeting.